

ARASTO FARSAD (SBN: 273118)  
 NANCY WENG (SBN: 251215)  
 FARSAD LAW OFFICE, P.C.  
 2905 Stender Way, Suite 76  
 Santa Clara, CA 95054  
 Telephone: 408-641-9966  
 Fax: 408-866-7334  
 FarsadLaw1@gmail.com  
 nancy@farsadlaw.com

Attorneys for Debtor,

**UNITED STATES BANKRUPTCY COURT  
 EASTERN DISTRICT OF CALIFORNIA**

In re:

Steven Claude Smith,

Debtor.

) Chapter 13  
 ) Case No. 2018-24449

) DCN: PPR-1

) DECLARATION OF STEVEN CLAUDE  
 ) SMITH IN RESPONSE TO OBJECTIONS  
 ) TO PROPOSED CHAPTER 13 PLAN AND  
 ) CONFIRMATION THEREOF RE: ABILITY  
 ) TO MAKE STEP-UP PLAN PAYMENTS

) DATE: FEBRUARY 12, 2019

) TIME: 3:00 P.M.

) LOCATION: U.S. BANKRUPTCY COURT  
 ) 501 I STREET, SIXTH FL. CRT 33  
 ) SACRAMENTO, CA 95814  
 ) JUDGE: RONALD H. SARGIS

I, Steven Claude Smith, am the Debtor in the instant case. I have personal knowledge of the information contained herein, and if called upon to testify, I could competently testify to the same. I declare as follows:

1. I filed my Chapter 13 Petition on July 17, 2018.
2. I understand the Bank of New York Mellon ("Creditor") has raised an issue disputing my ability to meet my proposed Chapter Plan that reflects increasing payments in a "step-up" schedule.

1           4. I will be converting the garage in my home to be able to rent a code-compliant  
2 dwelling. I anticipate the permitting process and remodeling to take approximately 6-9 months  
3 from now. Given the devastation in our area from the fires in Paradise, California, I do not  
4 anticipate any problems finding responsible tenants in a timely manner.

5           5. I believe the rental income generated will be no less than \$800-\$1000-which meets the  
6 proposed \$925 increase occurring in July, 2020. These rooms will be fully functioning well in  
7 advance of the next "step" in the plan which occurs approximately 1 ½ years from now.

8           6. Should there be an income shortfall in the beginning of the 3<sup>rd</sup> year of the Plan, I will  
9 create a set up for a mobile home on my property for additional rental income. There is sufficient  
10 undeveloped land on my property to do so.

11           6. Further, my wife is currently not working. She has been injured and not working for  
12 some time due to her disability. However, she anticipates getting a "clean bill of health" from  
13 her doctor and foresees beginning to work by year's end. Her expected gross, part-time  
14 employment income will supplement the rental income and my employment income to feasibly  
15 allow me to meet my step-up plan payments beginning in July, 2020.

16  
17           I declare under penalty of perjury that the foregoing is true and correct and that this  
18 Declaration was executed in Chico, California.

19           Dated: January 23, 2019

20           /s/ Steven Claude Smith

21           Steven Claude Smith, Debtor herein  
22  
23  
24  
25  
26  
27  
28